OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH) : (a) The imports of Cephalexin are allowed under open general licence to the actual users. The level of Custom Duty presently levied on the import of Cephalexin is 100% *advalorem*. Imports were allowed duty free upto last year. No instances of sale of Cephalexin by the importers of the drug have come to the notice of my Ministry.

(b) and (c) Do not arise.

Customs duty on bulk drugs

2633. SHRI MUKHTIAR SINGH MALIK : Will the Minister of INDUSTRY be pleased to state :

(a) what is the customs duty levied on penultimates, intermediates and finished bulk drugs at present;

(b) whether it is a fact that Government have recommended reduction of customs duty on the intermediates of Rifampicin, Cephalexin, certain other bulk drugs which are imported from foreign countries, so as to reach such medicines to common men; and

(c) what is the main creteria on which the level of duty is recommended by Government ?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH) : (a) Normal rate of customs duty on intermediates and penultimates is 141.5% *advalorem* and on bulk drugs it is 100% *advalorem*.

(b) Intermediates required for the production of Rifampicin are already levied zero of customs duty. Request for reduction of customs duty on inter-mediates required for the production of Cephalexin have since been received.

(c) The main considerations for making charges in the normal rate of custom duty on drugs are :

(i) Encouragement of domestic production.

(ii) to make available essential and life saving medicines which are not produced in the country at cheap prices.

(iii) to make available domestically produced bulk drugs and their formulations at cheap prices by leving lower rate of custom duty on inputs used for their production.

Reorganising laboratories

2634. SHRI K. VASUDEVA PANICKER : Will the Minister of INDUSTRY be pleased to state :

(a) whether Government propose to take steps to reorganise and improve the work of laboratories of major drug industries in order to improve the quality of drugs and to provide increased testing facilities;

(b) if so, what are the details thereof; and

(c) the steps Government are taking to ensure integrity of laboratories when they give findings about qualities ?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH) : (a) to (c) It is obligatory under the Drugs and Cosmetics Act, 1945 and rules thereunder for every manufacturer to carry out tests of strength, quality and purity of substances at a testing unit which shall be separate from the manufacturing unit. In addition, the State Drug Control authories are responsible for enforcing quality control of drugs manufactured, sold and distributed in their States. It is also provided in the said Rules that the head of the testing unit shall be independent of the head of the manufacturing unit.

2635. [*Transferred to the 3rd December*, 1986.]